

Municipal Health Services Program Fund**Fund 132****PURPOSE OF THE FUND:**

The Municipal Health Services Program (MHSP) began in 1978 when the Robert Wood Johnson Foundation awarded grants to five cities, including the City of San José, to develop community-based clinics. The federal government took over the project in 1979, and through an agreement with the MHSP cities and the Health Care Financing Authority (now known as Center for Medicare and Medicaid Services (CMS)), a new project was evolved called the Medicare Waiver Demonstration Project. The purpose of this project was to determine whether access to community-based services would reduce overall health care expenses for Medicare recipients. This project was extended by Congress six times and ended in December 2006. This fund was established to receive moneys from the Robert Wood Johnson Foundation, the Health Care Financing Administration, and the from the California Department of Health Services to reimburse care providers for health services, program administration costs incurred by the City, and for costs attributed to special health care projects.

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.1750 through 4.80.1770. Revenue and expenditure estimates are budgeted via Council funding sources resolution and appropriation ordinance, respectively.

SOURCE OF FUNDS:

- Centers for Medicare and Medicaid Services (CMS), formerly Health Care Finance Administration
- Interest earned

FUND RESTRICTIONS:

The City Council may appropriate money in this fund for any lawful purpose of the program. All revenue, equity, and interest proceeds must stay in the fund and be used for purposes specifically outlined in the agreement between the City and the CMS.

This fund is not subject to Proposition 218 restrictions.

LEAD RESPONSIBILITY:

- Parks, Recreation, and Neighborhood Services
- Finance Department

Municipal Health Services Program Fund**Fund 132****FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Trust and Agency Fund

Funding Sources Resolution and Appropriation Ordinance Location:

Section 22.01

NOTES:

In 2006-2007, the federal government terminated the Municipal Health Services Program. Staffing to oversee the shut down of the federal program was continued through September 2007.